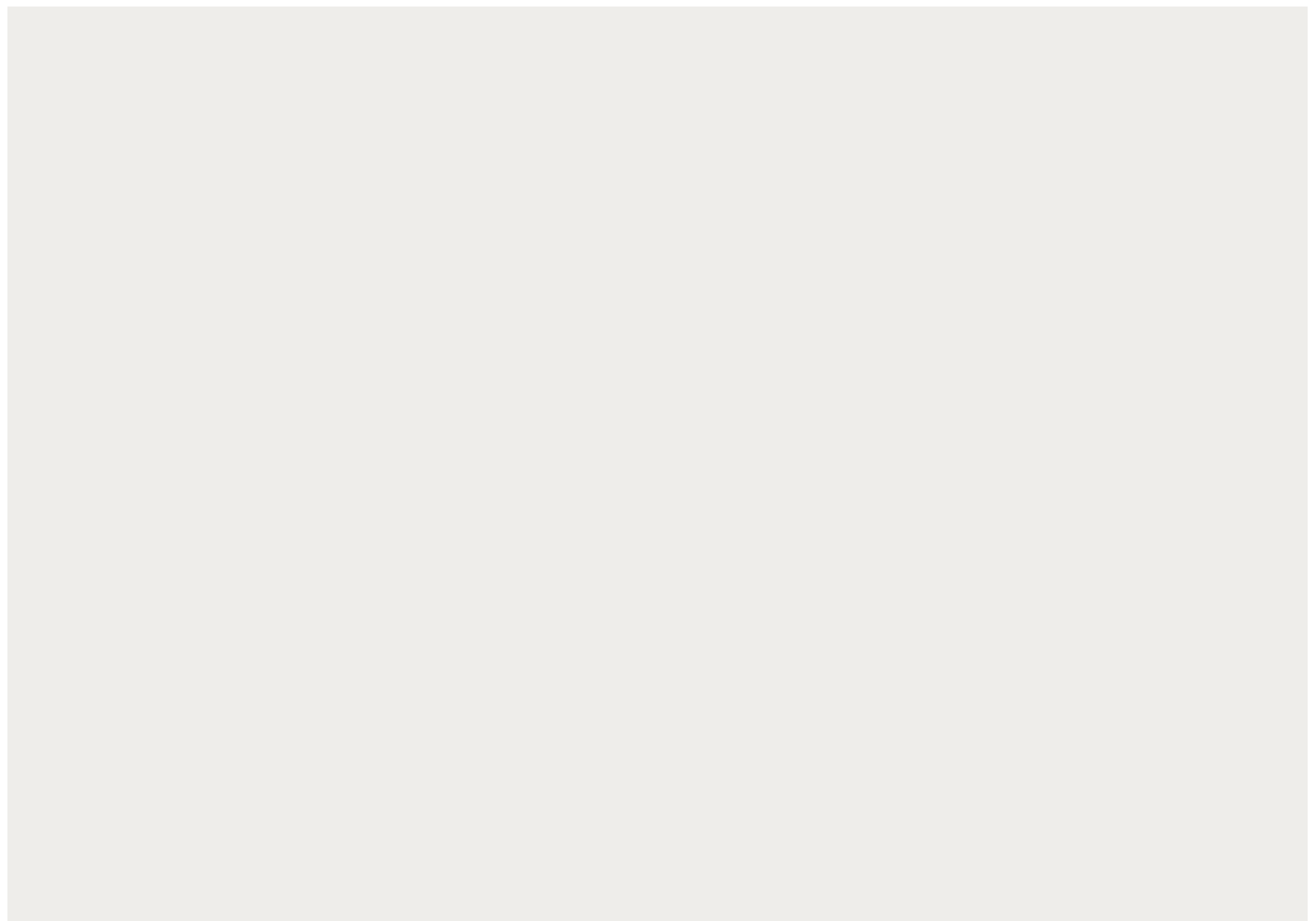


Bombardier wins Delta order for 20 regional jets

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Bombardier's CRJ900 airliner is shown in this undated handout photograph.

H A N D O U T / T H E G L O B E A N D M A I L

Bombardier Inc. won a new order for 20 Canadair regional jets from Delta Air Lines Inc., another boost to its backlog as it tries to rekindle customer interest in its aging regional aircraft.

The Canadian plane and train maker said Wednesday it signed a purchase agreement with Atlanta-based Delta for 20 CRJ900 models. The value of the planes at list prices is US\$961-million although discounts are common for larger orders.

Bombardier shares gained nearly 4 per cent to \$5.23 in afternoon trading on the Toronto Stock Exchange. They've now been above \$5 for three straight sessions, the first time they've reached that level since late 2013.

S T O R Y C O N T I N U E S B E L O W A D V E R T I S E M E N T

The deal marks further vindication for Bombardier after it took a decision last fall to spend an undisclosed sum updating its turboprop and regional jet (CRJ) lines. Delta's order is the second for the updated aircraft following American Airlines Inc.'s decision to buy 15 CRJ900 planes, disclosed in May.

The CRJ aircraft had been largely neglected in recent years as Bombardier concentrated resources to bring its flagship C Series airliner to market. The company's inattention helped maintain long-standing criticism against the planes that their cabins were inferior to that of Embraer SA's E-Jet family.

Delta will be the first airline to fly the updated CRJs as its deliveries will start before American's. The improvements to the aircraft include more room in the overhead bins, wider entranceways for easier boarding, and washrooms that are 60 per cent bigger than previous versions, with better access for passengers with reduced mobility and parents with children. Inspired by designs in the luxury auto market, the new cabin design is branded 'atmosphère' by Bombardier.

Celebrated as the planes that launched Canada into commercial aircraft manufacturing, Bombardier's regional jets are today used by more than 100 airlines operating about 200,000 flights a month. In North America alone, they account for one in every five jets taking off. The plane maker has won firm orders for about 1,950 CRJ aircraft since the planes came to market in the early 1990s.

Orders have slowed in recent years, falling from 19 units in fiscal 2016 to 16 in 2017. Backlog for the regional jets stood at 42 planes still to be built at the end of last year.

"This is a strong statement on the continuing longevity of the CRJ program," said Ernie Arvai of boutique aerospace consultancy AirInsight. The Delta deal will give Bombardier more than 20 years of additional aftermarket and service revenue and showcase the new CRJ interiors to other potential customers, he said.

Delta is one of the biggest carriers operating Bombardier CRJ aircraft. It will fly the new planes under its Delta Connection brand in a two-class configuration with 70 seats, Bombardier said. The first

plane from this order is expected to be delivered in late 2018.

S T O R Y C O N T I N U E S B E L O W A D V E R T I S E M E N T

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351 King Street East, Suite 1600, Toronto, ON Canada, M5A 0N1
Phillip Crawley, Publisher